

stations for the last quarter century. As a result, we cannot know how the media marketplace would otherwise have generally developed and what benefits consumers would have reaped in the absence of the restriction. Congress, however, has directed the Commission to determine whether the rule is "necessary in the public interest as the *result of competition*."<sup>51</sup> Because the other ownership restrictions have been relaxed over the years and therefore permit some degree of competition, a review in line with Congress's directive is relatively straightforward. In contrast, the newspaper/broadcast cross-ownership ban has effectively thwarted the competition the Commission is to use as a yardstick. Hearst-Argyle believes that, consequently, and in keeping with the pro-competitive thrust of the Telecom Act itself, the public interest would be best served by eliminating the newspaper/broadcast cross-ownership rule altogether.

### **Conclusion**

The Telecom Act has engendered a national policy framework directed towards allowing the invisible hand of the free market rein to promote competition and innovation, where possible, in the communications industries. The newspaper/broadcast cross-ownership rule, however, is antithetical to such competition in today's local market environment. Moreover, in a world of convergence of media technologies brought about by digitalization, innovative ways to provide expanded media products and services at the local level are affirmatively handicapped by such a rule. The explosive growth in local media outlets and the development of new local media have done much to relieve earlier Commission concerns about local viewpoint diversity.

For these and all the foregoing reasons, logic and sound public policy counsel that the newspaper/broadcast cross-ownership rule be abolished.

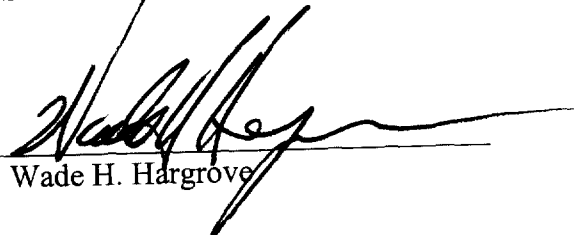
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<sup>51</sup> Telecom Act, § 202(h) (emphasis added).

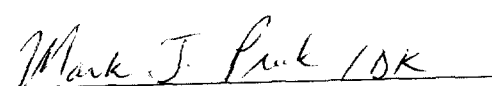
Respectfully submitted,

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